MR. DEPUTY CHAIRMAN: We shall now take up clause-by-clause consideration of the Bill.

*Clauses 2, 3 and the Schedule were added to the Bill.*

*Clause 1, the Enacting Formula and the Title were added to the Bill.*

*SHRI P. CHIDAMBARAM: Sir, I move:*

*That the Bill be returned.*

*The question was put and the motion was adopted.*

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## GOVERNMENT BILL

### The Constitution (Scheduled Tribes) Order (Amendment) Bill, 2008

THE MINISTER OF TRIBAL AFFAIRS (SHRI P.R. KYNDIAH): Sir, I move for leave to introduce a Bill further to amend the Constituton (Scheduled Tribes) Order, 1950 to modify the list of Scheduled Tribes in the State of Arunachal Pradesh.

*The question was put and the motion was adopted.*

SHRI P.R. KYNDIAH: Sir, I introduce the Bill.

MR. DEPUTY CHAIRMAN: The Karnataka Budget will be taken up after the lunch hour. The House is adjourned for lunch for one hour.

The House then adjourned for lunch at fifty-four minutes past one of the clock.

*The House reassembled after lunch at fifty-four minutes past two of the clock.* MR. DEPUTY CHAIRMAN in the Chair.

## THE BUDGET (KARNATAKA), 2008-09

MR. DEPUTY CHAIRMAN: General discussion on the Budget (Karnataka). Shri M. Venkaiah Naidu.

SHRI M. VENKAIAH NAIDU (Karnataka): Sir, if Narayanasamyji is taken out of the House, we will have a smooth debate and...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: You have not heard it. ...*(Interruptions)*...

SHRI M. VENKAIAH NAIDU: He is Whip and he is doing his duty. I am happy about it. ...*(Interruptions)*...

3.00 P.M.

Hon. Deputy Chairman, Sir, I rise to speak on the Vote on Account Budget of Karnataka. In the first instance I would like to ask the Finance Minister why Vote on Account for six months, why not three months. Sir, there is an all round impression that there is a *mala fide* intention behind this move because the elections are due in the State of Karnataka and they are being postponed on one excuse or another. Sir, the essence of the democracy, as you are aware, is that the people should be allowed to rule by themselves. But here the Centre for whatever reason is trying to rule through backdoor. That is not a good thing for the country Sir, thanks to the better management of economy by the previous Government in office in

the State of Karnataka, which was acknowledged even by the hon. Finance Minister during his visit to Bangalore, the finances of the State of Karnataka are in a good shape. The thrust somehow is missing and when I went through the speech of the hon. Finance Minister, I found, if I am correct, "I did not make the Budget, the Budget was made by the Advisors to the Governor," This is exactly the point I am trying to highlight. I am not blaming the Finance Minister for this. The people should be allowed to rule by themselves and then their elected Government should come into office by this time and they would have taken care of all these things. The Advisors were from outside, who do not have knowledge and also the needed interest in the local affairs of the people of the State. They have their own ideas and they prepared a Budget. The thing is good because there is buoyancy in the revenue of the State though there is a shortfall in Stamp and Stationery Department and also commercial taxes, still the finances are in a good shape. They would have been managed better. That is one point that I wanted to make.

Secondly, with regard to the allocations that were made, the money is not spent and I do not know the reason and who is to be blamed. I can't blame the Finance Minister for this purpose but, at the same time , the important question raised by the people of Karnataka is that the important projects like Backward Areas Development, which has come into existence of because of Nanjundappa Committee recommendation, for that money is allocated and out of Rs. 1571 crores in the last year's Budget not even 40 per cent is spent.

The money given to the backward area development to upgrade the Tehsils of Hyderabad, Karnataka, Northern Karnataka, and all the backward areas--I am not reading out the names because of paucity of time--this money is not spent. Now, the hon. Finance Minister has allocated Rs. 2489 crores. The amount seems to be very good. But, at the same time, if you are not spending the money, then, what is the purpose of making big allocations? That is the question that arises. Secondly, with regard to even the shortfall in the revenue collection also, who is to be blamed? The Commercial Tax Department is not able to do its job and there is a decline in the stamp duty collections also. There is also confussion with regard to the real estate in the State of Karnataka, particularly around Bangalore. No decision is being taken. That is also the reason for the shortfall of revenue in that particular segment of the Government. With regard to the contribution from the Centre, it has also declined. One of the reasons is that the State is performing better. Parameters are increasing but the contribution is getting reduced. This is an issue on which all of us have to apply our mind. If you perform better, then, you get less incentive. Is it a good thing? Since we came to power in Karnataka, we have been running the affairs of the State. The revenue is surplus. You are also aware of it and we are also maintaining a fiscal deficit of less than 3 per cent of the GSBT since 2004-05. Because of this, the State is entited to the benefits of debt consolidation and the waiver of Central loan amounting to Rs. 650 crores per year and we are expected to grow at the real growth rate of 9 per cent. The Finance Minister who fortunately belongs to my party in that State and he has taken lot of initiatives and these proposals were carried out in Budget. People were very happy about the various schemes that were initiated by the Government. But , unfortunately, under the Governor's rule and because, as I told you, there is no people's participation in the Government, the expenditure on each and every important sector is on the decline. I have mentioned already about the Special Development Plan, and, I feel that the Rs. 250 crores earmarked for setting up of Vidhan Soudha in Belgaum was a historic decision taken in view of the background of the controversy with the State of Maharashtra and also the need to have a Capital there. That was the collective view of the Assembly of the State, and just Rs. 250 crores was allocated and this year, hon. Finance Minister has allocated only Rs. 50 crores. I don't know what is

the reason. Again, it is the case because there is no expenditure. Thirdly, Sir, another important scheme and a very popular progressive scheme is the Sandhya Suraksha Yojana. It is a scheme to take care of the elderly people. It will benefit around six to seven lakh people. An amount of Rs. 2500 crores was earmarked. It was a historic initiative. But, unfortunately, the expenditure is only Rs. two crores. This is my information. I am really shocked. What is the administration doing over there? When you have such a huge allocation you spend Rs. two crores. That means there is no governance. There is no people's interest involved in this and from the total Plan expenditure, Sir, 60 per cent of the Plan expenditure also is not spent. This is for information. If the hon. Finance Minister is sincere enough, he should come out with a fact sheet and tell us what is the allocation made to each sector, what is the expenditure incurred exactly and what are the reasons for the shortfall. If the House can be taken into confidence we would be more than happy. Sir, with regard to even the allocation for SC-STs, which is Rs. 2260 crores under the Special Component Scheme, on that account also not even 50 per cent of the allocation was spent. Sir, with regard to the upgradation of Airports of Gulbarga, Hassan, Shimoga, Bijapur, an amount of Rs. 418.45 crores was given in the last year's Budget and Rs. 100 crores was earmarked for expediting the works for setting up and upgradation of the above airports. Everything was shared by the State Government and the Centre somehow is sitting pretty, not clearing the airports and the State is not able to initiate progress on that count. Sir, Karnataka is a developing State. It needs more infrastructure. It needs more airports and also airports in different parts of the State. But, unfortunately, on that count also the present administration is failing. Then, with regard to the rail link to the new international airport, there is no progress.

There is also another important project—Metro Rail. A lot of public demand is there for completing this project. People also have high expectation on this project. But, nothing has been mentioned. The airport is going to be opened in one month's time. If you don't create enough infrastructure, Bangalore is going to become hell. We are already suffering. We are travelling to airport from our destinations in the city. It takes one-and-a-half hour to two hours to reach destination. It is the bounden duty of the Central Government and the State Government to see that such a prestigious destination for investment and IT capital—Bangalore—should be provided with good infrastructure. The Metro Rail and other road projects are, somehow, going on at a snail's pace and the needed thrust and support from the Central Government is also not forthcoming.

Sir, if you look at the foodgrain allocation to the State, there is a decline. The hon. Finance Minister should explain not only to the State of Karnataka, but almost all the States. Earlier, while replying to the Budget in the morning, the hon. Finance Minister said, 'We are taking all pro-poor initiatives and you are opposing it.' Mr. Finance Minister, is reduction in the foodgrain allocation under the PDS a pro-poor initiative? I give you one specific example. Let my friends from Kerala vouch for it. The other day I was there during a Study Visit of Petitions Committee of Parliament. Sir, the State administration told me that Kerala was getting 1,13,000 tonnes of foodgrains per month. And, this Government, a pro-poor Government, has reduced it to 28,000 tonnes per month. There was uproar in the Kerala Assembly. You can enquire from any hon. Member from Kerala. The hon. Minister is very well aware that people of Kerala mainly consume rice. But, you don't provide them. Who are the sufferers? The poor people. On that count also, the Centre is duty-bound to provide the needed foodgrains to all the States. I have taken note of what the hon. Finance Minister was saying about the leakage with regard to distribution. That is one aspect. That has to be taken care of. There is no doubt about it. But, at the same time, you have reduced the

allocation. When we were in power, we had given 35 kgs. of rice per family. You have reduced it to 25 kgs! And you are saying that you are the champion of the poor! Is it an indication that by reducing allocation, you are taking care of the poor? What is your response to this? Sir, my Chief Minister, Mr. Yeduyurappa, in Karnataka, has taken another historic step of reducing interest rate to 4 per cent. He also made an allocation in the Budget.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Was there a Chief Minister there?

SHRI M. VENKAIAH NAIDU: He was Chief Minister and also Finance Minister. There is a Finance Minister here does not mean that there is no Prime Minister. Of course, you may not take the hon. Prime Minister of India seriously. That is a different case. The joke in Delhi is, "P.M. presides; Madam decides." Now the latest joke is, "P.M. presides; nobody decides."

SHRI SANTOSH BAGRODIA (Rajasthan): That is why the Government of Karnataka has gone.

SHRI M. VENKAIAH NAIDU: This Government is also going to go.

SHRI C. RAMACHANDRAIAH (Andhra Pradesh): Do you think that you are going to win over there?

**श्री संतोष बागड़ोदिया:** जो दुनिया में आया है, वह जाएगा भी।

**श्री एम॰ वेंकैया नायडु:** वह तो जाना ही पड़ेगा। Sir, coming back to the subject, I would like to say, as I told you, that I am not here to quarrel with the hon. Finance Minister with regard to allocation to Karnataka. My quarrel is with the Government of India, with the ruling party for putting such a system there which is not able to meet the aspirations of the people of Karnataka. How long do you want the people of Karnataka to suffer? There is instability in different parts of the country. Political parties change their equation also. We have seen it earlier. Earlier, you have made friendship with the same party. You have had the experience. Sir, in 2004 itself, people of Karnataka had given a clear mandate against the Congress Party. And, the Congress Party joined with somebody and came to power through backdoor. Now, they are saying that your alliance is opportunistic. When you fight against them...

SHRI B.K. HARIPRASAD (Karnataka): It is the Janata Dal which joined us. We did not join them.

SHRI SANTOSH BAGRODIA: Are you speaking on the Budget or on politics?

SHRI M. VENKAIAH NAIDU: On both. Without politics there is no Budget. Without Budget there is no politics.

**श्री विजय कुमार रूपाणी (गुजरात):** यह बजट चुनाव का बजट है। ...(**व्यवधान**)...

**श्री संतोष बागड़ोदिया:** यह बात आप उनको समझाओ।

SHRI M. VENKAIAH NAIDU: The people have given a clear mandate. The Congress which had 165 MLAs reduced to 65 and the BJP which had 44 MLAs had got 80 plus 5 *i.e.*, 85. And, nobody got a clear majority. Now, the people are saying and giving all sorts of examples like Delimitation, electoral rolls, etc. This is relevant. That is why I am taking this up. What is the reason? The reason is very simple. They are afraid to go to the people. They want to rule the State through backdoor and they want to have this sort of progress in the State. This is not good; this is not fair to the country and to the people, particularly, to the

people of Karnataka, which is a progressive State, which is marching forward. It is a cut and paste policy. The delimitation process has already been completed in the State of Karnataka. For the benefit of the hon. Finance Minister, because he is referring to the State here, though the decision to hold elections is not entirely in his hands, I quote day before yesterday's front page of the *Indian Express,* "Believe it or not, it took just seven minutes to complete the delimitation of 28 Assembly Constituencies in Bangalore, and just 22 minutes to revise the electoral list for seven Assembly segments in Chigmidapur District." And, the Chief Electoral Officer of the State, Mr. Ramalinga Ramaseshan said, "The delimitation of all Assembly segments has been completed." This is his statement, not my interpretation. He further said, "We have also informed the EC about it on March 12th that the entire process took a fortnight time." I really appreciate the officers who have done this commendable job. Thanks to the backdrop of Bangalore being the IT centre of the country, the software that they had developed had come handy to them and they were able to complete the job in record time. But this could have been done long back. When was the Delimination Report given? When was it approved? In March, 2007! Then, subsequently, you take your own time. And, now, you weigh pros and cons in Karnataka. You delay the entire process, then, now, you are trying to take an excuse that the delimitation process is on. Our MPs, our MLAs, former MLAs, Ministers come here and demand elections. And, the great Congress leaders come to Delhi for postponing it. And, they are sending SMS to SMK and other also. Any number of SMS is not going to help.

Coming back to the situation, what I am asking is: Is the Government ready to give an assurance to the House that the Government will not come in the way of holding early elections in the State of Karnataka. Please do not do injustice to the people of Karnataka.

Coming back to the general issue, connected to the State of Karnataka as well as the country, of interest rate, when the State Government can give loan at 4 per cent interest, why can't the Central Government? I am not disputing the loan waiver. Also, with all fanfare by the hon. Finance Minister and the Prime Minister, by which the Congress Party is trying to calm down across the country, are you really concerned about the root cause of the malady that is affecting the farmers? Loan waiver is one way to take care of it. I am not disputing it. We ourselves had also suggested, though we don't agree with your present loan waiver scheme. We have our own alternatives. We want that Rs. 15,000/-, across the board, for all affected farmers should be written off, irrespective of small or big land holding. That is going to become a big issue. Hon. Finance Minister, you are also here...(*Interruptions*)...

SHRI P. CHIDAMBARAM: You were here for six years. Why did you not do it for six years?...(*Interruptions*)...

SHRI M. VENKAIAH NAIDU: You did not do it for fifty years. We had done it, at least, once. ...(*Interruptions*)...

SHRI P. CHIDAMBARAM: You did not announce loan waiver in your six Budgets. Will you please explain why did you not do that? ...(*Interruptions*)... Of course, we could not do it earlier, but we have done it in the fourth year. But you could not do it in six years. ...(*Interruptions*)... The AIDMK was in power for ten years but did not do anything. ...(*Interruptions*)...

SHRI M. VENKAIAH NAIDU: Sir, if at all there was any sincerity and commitment on the part of this Government and the hon. Finance Minister, they would have done it last year or

the year before last year. ...(*Interruptions*)... Let us be honest. Let us be sportive. It is because out of twelve States, which went to polls, you clearly lost in ten States. Can anybody dispute this? You have manipulated in Jharkhand, and you are trying to manipulate in Meghalaya. That's a different matter. But you lost almost all these important States. Only in one State you won, that is, Goa. Apart from that you could not win anywhere. Now, elections are fast approaching. That's why you came forward with this idea. Even now I am not opposing it. My point is, your own Minister had written to 'Madam' saying that the loan waiver is not going to help the farmers of Vidarbha.

Coming back to Karnataka, the point I want to stress is that in the Northern Karnataka, the Hyderabad Karnataka, the backward regions, people have 5-6-7 acres of land. The revenue yields is very less. Then, they are not going to be covered by this. There is a large-scale heart burning among the people of Karnataka, particularly in these regions. This is the same case with Rayalaseema in Andhra Pradesh, Telangana in Andhra Pradesh, and also in Chhattisgarh, Madhya Pradesh and Rajasthan, which are all backward areas. The hon. Finance Minister must also be aware of the fact that the land records, as on today, is in the name of the head of the family, though the joint family system is slowly getting disturbed and withering away. But, the land holding is there. They are not going to be covered. That is why, one of the important recommendations made by Prof. Swaminathan Commission and also echoed by many political parties is reduction in the interest rates. And the hon. Finance Minister is silent on this. We had shown the way in the State of Karnataka. Then, why cannot it be done at the national level? Do you want to burden the State Governments on this? All the State Governments are not very comfortable with finances. All the States will not be able to take this burden. So, what is your response on this issue? I would like to know this from the hon. Finance Minister.

The second issue is about categorisation. Even your own leaders are also saying now that this system has to be changed. You have not mentioned anything about tenants. You are not forthcoming about categorisation. Now you are saying that this money will be provided. It is because of our criticism, the reaction across the country, and the wholesale condemnation from different sides of society that you have come forward, just day-before-yesterday, with this Rs. 10,000/- crores announcement. Otherwise, you would not have done it. He is a very intelligent man, Sir.

MR. DEPUTY CHAIRMAN: That is why he is the Finance Minister.

SHRI M. VENKAIAH NAIDU: I used to read about him even from my earlier days. He is a very, very intelligent person. He has the knack of fudging the mathematics of economics in the country. He has carried it to some extent. But, at the same time, people are now realising this. The moment you start implementing it, you will find the reaction in the rural areas. You will realise the reaction. Now, he has announced Rs. 10,000/- then, he will say another 12,000/- and then, another Rs. 15,000/-. And the Scheme will be completed by 2012! Mr. Chidambaram; hon. Finance Minister, you are not going to be there beyond next March. The unpaid bills will have to be picked up by us. ...(*Interruptions*)... The unpaid bills will have to be paid by us. ...(*Interruptions*)... Let us see. ...(*Interruptions*)... I am neither an astrologer nor do I believe in daydreams. I am reading the trend of 12 States for your information. Secondly, courtesy Alimuddin Street, Kolkatta, I don't know whether they are going to be there beyond November, or at the most, March. That being the case, how can you say that this is going to be taken care of by 2012? It is unfair.

MR. DEPUTY CHAIRMAN: He replied in the morning.

SHRI M. VENKAIAH NAIDU: I heard him. He did not cover this point. Sir, I told you, he is an intelligent man; he knows how to skirt issues. He knows how to divert issues. ...*(Interruptions)*... Karnataka is part of India. There are farmers in Karnataka. There were suicides earlier in Karnataka also. Suicides were committed by the farmers of Karnataka also.

Sir, I now come to another issue. Loan waiver is one issue. The second issue is inflation; price rise. The common people across the country are getting affected. And the hon. Finance Minister is just giving reasons about global situation and all. We agree with that. Oil prices have gone up. But, at the same time, what rise in oil prices made steel manufacturers to raise it to Rs. 60,000 per tonne? The construction activity in the State of Karnataka and the infrastructure that is gaining momentum will be totally affected. That too, in the last one month, the prices have doubled.

When we were in power, Mr. Finance Minister, it was Rs. 18,000/-. Now, today, it is Rs. 60,000/-. Who took the initiative? Before the private people took the initiative, the public sector companies announced the increase. Then, it was followed by the announcements from the private people. What is the Government doing? I am not able to understand that. Earlier, the cost of cement bag was Rs. 100/-, now it is Rs. 225/- to 250/-. In spite of all noises made from different quarters, nothing is happening. The prices of oil, dal, rice, wheat, coal etc. have risen. They are not within the reach of the common people. And, you have not said anything about it in the Budget. At least, at this stage, you assure the people of Karnataka that you will take care of inflation. You have no answer to this. And, you are talking about the economic situation etc. Sir, I would like to quote only one sentence from what Shri Chidambaramji has presented to the Parliament. "The economy appears to be in a resilient mood in terms of growth, inflation and balance of payment. It is a combination that offers large scope for consolidation of growth momentum with continued macro-economic stability. The economy has enjoyed the benefit of relatively low inflation, with comfortable stocks of foodgrains, enhanced competition in product markets and an appropriate mix of fiscal and monetary policies." This is the statement of the hon. Finance Minister in the Economic Survey which is attributed to my Government's performance. And, today, in an unfair manner the Finance Minister is trying to blame the previous Government. With regard to food management also, Sir, the double digit annual average inflation of 10.6 per cent between 1991-92 up to 1996, when our present Prime Minister was the Finance Minister, came down to 4.2 per cent during the last three years of our NDA regime. With regard to food management, however, despite drought, prices of major staples, rice and wheat, remained quite stable, with output shortfalls made up by relief from bufferstock of foodgrains.

SHRI P. CHIDAMBARAM: Mr. Deputy Chairman, Sir, this is all about the General Budget?

SHRI M. VENKAIAH NAIDU: No, no, I am coming back to the connection with regard to Karnataka and with regard to Kerala, that you have reduced the food allocation. We created bufferstocks; you exhausted them because you did not intervene in time. Then, your own report says, "the comfortable supply situation, remarkable price stability in respect of foodgrains in different parts of the country, despite 2002 poor Monsoon have demonstrated the relevance of the food security system. The agriculture and allied sector value registered a growth rate of 9.1 per cent in 2003 reflecting the growth in fiscal production and remunerative prices of agricultural goods." Sir, all these are picked up from the Economic Survey presented by the hon. Finance Minister and his Ministry to the forum of Parliament. That being the

case, what is the rationale in your now trying to justifying this? I can understand the difficulties that are faced because of the international trends, but, at the same time, certain aspects require the Central Government's intervention to control the prices. There are ways and means, if at all you apply your mind. If you are so much concerned about the common man, the common man of Karnataka, the common man of the country, please intervene, do something; otherwise, the entire infrastructure, the momentum which we have generated will go for a six. This is a sixer. This is what is happening now, and then, becoming silent! Really, I am wondering an Economist like Mr. Chidambaram keeping quiet, not talking anything about this trend of Rs. 60,000 per tonne of steel, Rs. 250/- of cement and still saying that everything is fine, people are happy. You go to the people and contest the election. You are going to go, Sir. You can go alone or go with the leader there. Who will go with whom is a different matter. That we will decide at an appropriate time. But the point is, you are shirking your responsibility on this important issue. The plight of the farmers in the backward areas of Karnataka is pitiable. It requires special attention. It requires continuous support. It requires not only allocation of Budget, but also proper spending, effective spending and timely spending of that amount in Karnataka. Coming back, I only want to say that if the Ruling Party friends are really interested in democracy, if they are interested in the progress of the State, they should also use their good offices and then get ready, instead of doing this. Parliament is discussing the Budget of Karnataka. Depriving the opportunity to the people of Karnataka to discuss their own Budget and giving their own relevant suggestions is something unusual. I do not say this has never happened, but it happened very rarely and this time... *(Interruptions)*...

SHRI V. NARAYANASAMY (Puducherry): You are responsible for that. ...*(Interruptions)*... Both of you ...*(Interruptions)*... toppled each other....*(Interruptions)*...

SHRI M. VENKAIAH NAIDU: Who toppled who will be known. ...*(Interruptions)*... Who toppled the Government for the sake of two police constables is a part of history, Mr. Narayanasamy. ...*(Interruptions)*...

SHRI SHANTARAM LAXMAN NAIK (Goa): Who toppled the Karnataka Government? ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Let us discuss Karnataka. ...*(Interruptions)*...

SHRI B.K. HARIPRASAD: Never in the history a Chief Minister has gone into an MoU with a political party. ...*(Interruptions)*...

SHRI M. VENKAIAH NAIDU: Sir, people know who has withdrawn support for whom. It is a part of the history. For the sake of two Haryana constables. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: That is not about Karnataka.

SHRI M. VENKAIAH NAIDU: I will talk about Karnataka and Haryana also.

SHRI V. NARAYANASAMY: You are talking about the General Budget.

SHRI M. VENKAIAH NAIDU: The General Budget's inflationary trends affect the people of Karnataka, my friend, and it will also affect Puducherry. ...(*Interruptions*)... They will affect the people of Puducherry also. Try to understand. ...(*Interruptions*)... This is very bad. You also have to go to people.

So, my point, Sir, is if they have political will, if they have courage conviction, if they have commitment to democracy, let us go to the people at the earliest, provide them with an

opportunity to elect the Government of their own. They will take care of themselves. This is, of course, not a forum to effectively highlight or ventilate the grievances of the people of the State because that requires more time, more study and involvement of local peoples' representatives. That cannot be done by Parliament, because we in our collective responsibility of the federal system, have taken up the responsibility in this House of getting a Budget and then discussing about it. At the same time, I would like to caution them that you may try your best to postpone the polls. At best, you can postpone your defeat; you will not be able to avoid it. So, please be sincere and come to the reality of the situation. Let us go to the people and get their mandate. Let us have people's representatives there. Some of the figures that the Finance Minister has presented here fall short of my expectations. But, my grievance is not about the figures. More than that, my grievance is about expenditure, my grievance is about implementing the various schemes, which is not happening in the State of Karnataka. I am very unhappy. The people are angry about the present dispensation in the State because they don't have the touch with the common man of the State and they are not concerned also. Moreover, Sir, they are not going to be accountable. The Governor or his advisors are not accountable. Nobody can take them to task tomorrow. This is not a healthy situation. Sir, it should come to an end.

With these remarks, Sir, I complete my remarks on the Budget of the State of Karnataka.

SHRI JANARDHANA POOJARY (Karnataka): Thank you very much, Sir, for having given me this opportunity.

At the very outset, I may submit that the hon. Member, Shri Venkaiah Naiduji, who has been representing Karnataka for a number of years now, has mentioned that the Budget should not have been presented here. The people of Karnataka are very angry over it and they are cursing the Central Government for all its faults.

Sir, before going in to this aspect, I would just speak about this Budget for two or three minutes. The total outlay in the Budget is Rs. 56,542.15 crores. This is as per the projection that has been made for 2008-09. Last year, when they were in power, the projection was Rs. 50,465.06 crores. Now, the present administration is in a position to give an increase of 12 per cent over the Budget presented last year. The annual Plan outlay for 2008-09 is Rs. 21,751 crores, an increase of about 22 per cent over 2007-08. Mr. Venkaiah Naidu, the Central Plan outlay for 2007-08 was Rs. 17,882.56 crores. The revenue surplus is Rs. 2972.65 crores. There is a buoyancy in tax collection. So, when there is a case of giving credit to the present Administration, you say that their governance is not up to the expectation of the people. Mr. Venkaiah Naiduji, your party, BJP, was there in power last year during the time of Budget. You were there for seven months. The present Administration is there for about five-six months only. The point is, what were you doing to improve the situation? When your party was governing the State, you were quarrelling with each other. You were not governing. The BJP and the JD(S) were not governing. They were fighting--the BJP and the JD(S)-- with each other, and, Sir, in their fighting they destroyed the economy. Now, during these five-six months, the Governor's Administration has put the economy back on track. Now, for that, don't we have to give the credit to the administration? Sir, what is the tax collection? He has talked about tax collection also. Of the total tax revenue, the total collection from commercial tax is estimated to be Rs. 19,344 crores which represents a growth of 17.42 per cent. Now, in this Budget, no tax has been levied. A budget, a growth budget, without tax, but with equity, or, shall we say, social justice, has been presented to the people of Karnataka.

Now, Sir, the total collection from the States excise is estimated at Rs. 5626.8 crores which represents a growth of 20.51 per cent over the Revised Estimates of 2007-08. Then, coming to fiscal deficit, because of better management they have restricted it to 2.84 per cent, that is, within the limits prescribed by the Karnataka Fiscal Responsibility Act, 2002. The Governor's rule has shown good performance. And the hon. Member has also come forward to admit it. I won't say that he has totally decried it.

Having said that, so far as education, health and social sectors are concerned, a lot of money has been provided. We don't see any decrease. He has to refer to the Nanjundappa Commission Report. Here also, he has given substantial figures, but I don't wish to repeat them. So, a substantial amount has been provided. The question is: how could there be a 2.8 per cent Budget Deficit for 2008-09 without any collection of revenue? How can you say that?

Further, Sir, if we go to even the allied sectors, there is a huge increae. The Karnataka administration has taken care of the irrigation aspect also. Thus, so far as the performance of the Government is concerned, there is no charge that could be entertained here.

Now, Sir, the hon. Member has made some political points regarding the presentation of the Budget in this House. Sir, we are ready for elections. Our Central Government has given two Budgets, the Railway Budget and the General Budget. We have touched every section of the society. Now, is it good for the Congress Party to go in for elections? This is the best time to go in for elections. We are ready. On the contrary, the BJP and JD(S) are not prepared for going in for elections. It is nothing but, as I overheard somebody saying it, a *'natak'*. We don't say it is a *'natak'*, what we say is that they are fooling the people of Karnataka. Now, why are we asking for voters' list to be perfect? There was a complaint made by the people saying that voters' list was not perfect. We do not want to deny voting right to any citizen of Karnataka. That is a valuable and constitutional right given to the people to be exercised by them. And he has stated, in the interest of the people that the present Budget should not be presented in the House and that it should have been presented there. It is in that context that I say that in the interest of the people of Karnataka, they should elect a Government. It may be any Party's Government, but it should be a people's Government and the people should have the right to vote. What has happened there? When the people of Karnataka made a representation to the Election Commission saying that the list is defective, they went for correcting it. What is the correction? About 58 lakh voters were deleted and 20 lakhs were added. If with this defective list we would have gone for election, there would have been bogus voting. Sir, we have not done it. The Election Commission has done it. It is not done by the people of Karnataka. That means, you have not discharged your duties properly. And, then, what had happened? What we represented? Today also, we are making representation through this House to the Election Commission for a perfect election voters' list. They have done a tremendous job in Tripura. There voting percentage was 92 per cent. Voters were given identity cards and there were photo of voters in the voters' list also. My point is, why cannot you adopt this here? As the hon. Member stated, the Election commission made a public statement saying that within 7 minutes they have completed 28 Assembly segments. Are you a magician? How have you done that within seven, eight or ten minutes? They said that they have done it with computers and latest technology. Sir, if that could be done, my submission is that it is still defective. It cannot be correct. Complaints are there. How have these people done that? Who have fed data in computers? Computers cannot go to houses; computers cannot go to each voter. Who has fed data? You yourselves fed.

Who is committing this blunder? Who are accountable? Fifty-two lakh names have been deleted and twenty lakh have been added. By adding, you are going for bogus voting also. My submission to you, Sir, is that we are prepared for election. It is good time for us to go for election. But every voter should vote. About 3,97,00,000 voters are there. If 52 lakhs have been deleted out of that, would it be a perfect list? People are crying. They are poor people; they are going to some other districts in search of job. Sometimes, they go early in the morning and come late in the night to houses. They find that their votes are delected. Don't you have heart? Why is the hurry and worry? It is not in the interest of people. What is the statement of the Election Commission after delimitation? Karnataka Election Commission has stated that they require six to eight months for preparing the voters' list. In the month of February, they have given the statement. Then, they have written to the Central Election Commission, when they were talking about Rajasthan and Madhya Pradesh, that they require seven or eight months after delimitation to make the voters' list perfect. Then why are you in a hurry? Why within seven minutes you have to complete the list? There are weaker sections, Scheduled Castes, Scheduled Tribes and minorities to vote. In Tripura, we did not get mandate. We got only ten seats. But we did not bother. We are satisfied that the Election Commission has done a wonderful job. Poor people, the weaker sections, the Scheduled Castes and the Scheduled Tribes are being deprived.

Is it not injustice? So, now, Sir, our representation to the Election Commission is, please do it, make the voters' list perfect. Sir, you may not believe, I tell you the reason for our fervent appeal. Sir, there are 38,967 polling stations in 224 Assembly Constituencies in the entire State of Karnataka. As per the existing practice and convenience, each polling booth shall be assigned 1,200 or less voters in each electronic voting machine having the capacity to register 1,600 votes only. Out of 38,967 polling booths, 25,897 polling booths have the capacity of 1,200 or less, and, the remaining have the capacity ranging from 1,200 to 5,000 or more. How can people go there and vote? Assigning five thousand voters to a single polling station is unscientific, irrational and unworkable as only three persons can exercise their franchise in one minute. Five thousand people cannot go there and stand before the polling booth. So, in case of around 13,070 polling booths, five thousand voters are there. Whether we belong to the Congress Party, whether we belong to the JD(S) or the BJP, is it not our duty to see that every voter exercises his vote? What will happen? If this is the case—let them choose their own Government, we do not mind—but, at the same time, this way, you cannot prevent these Scheduled Caste/Scheduled Tribe/minority community or poor people from casting their vote. This is nothing but injustice that is being meted out to the people. We want perfection. You take your own time, and, then you come before the people of Karnataka with a perfect voters' list.

Sir, for that purpose, I would like to draw your attention to the Representation of People Act, 1950 and Registration of Electors Rules of 1960. Sir, article 345 is there. Rule 24 of the Registration of Electors Rules is also there.

Now, what does the Election Commission say? It says, we invoke rule 24 of the Registration of Electors Rules, 1960 because there is an urgent need. We say that there is no urgent need for anybody. Please do it perfectly and come out with a clean sheet, and, have the credit. If you come with a perfect list, then, the people of the entire country will be expecting that after delimitation they will get perfect deal for all these classes, and, they will be having the voting rights for the first time. That is the duty of the Election Commission. Going one step forward, I would say that this is also the duty of the Parliament, each Member of Parliament

to see that every voter exercises his vote. The genuine voter should not be left out. For that purpose, we are asking, the Congress Party is asking for perfect electoral rolls. With this, we can say that the Congress Party has no prejudice. We do not have any bad intentions. On the country, we want, the elections to be postponed in the interest of the people of Karnataka. Sir, he has stated about the loan waiver. (*Interruptions*)

SHRI M. VENKAIAH NAIDU: Sir, he has come out that he wants elections to be postponed. (*Interruptions*)

SHRI JANARDHANA POOJARY: Yes, Definitely.

SHRI M. VENKAIAH NAIDU: I am happy that, at least, Mr. Janardhana Poojary has expressed that he wants elections to be postponed (*Interruptions*) My friend, the voter list was published in the month of December whereas this is the month of March.

SHRI JANARDHANA POOJARY: That is what I am telling you. You don't know that also. The vote list has been published, according to them, with all the perfection. They have stated that everything has been completed. For your information, on 10th March they published it. For that purpose I am telling you this. Poojary is not telling this for the first time. Outside Parliament also, I am agitating for the perfect electoral roll. We are concerned for the Scheduled Castes and the Scheduled Tribes. We are not bothered about elite people; they know what to do. But those people who are going out to eke out their livelihood, for them we are pleading. Actually, you are shaken now because of the two wonderful Budgets and regarding waiver of loans.

Yesterday, I was talking in public also if these people are against it. Let them clearly state it. What about Karnataka? You claim that it is not the JDS-BJP Budget; you say that, 'it is your man's budget.' For the first time, I am hearing. All right, it is 'yours.' What have you done? You have given relief to the extent of Rs. 25,000 and it is for only one category who are having an outstanding of Rs. 25,000. Sir, if others given one time-payment, then they will be given the relief of Rs. 25,000. From which Budget you provided it? Standing here and outside also you are asking about the Central Budget. From which Budget you have given? Did you get the approval of Parliament? You did not. Your Finance Minister did not follow the procedure. We did not, Poojary did not, criticise it. Why, Sir? Becuase it has been given to poor farmers. But you people are just asking for this relief to farmers. No; you don't want to give them anything. I am sorry to say that. A beginning has been made, Sir.

Sir, I watched the Budget presentation by the Finance Minister on TV. Earlier, I was not happy. Before him I am saying this. But he changed version for the weaker section of the society and it was possible with Madam Sonia Gandhi. Today also I heard him. Now, he has become a poor man's Chidambaram. I was moved. I was observing him on TV. I could not go there because it was presented in the Lok Sabha. But, Sir, I must thank Madam Gandhi, the Prime Minister and him also for providing Rs. 60,000 crore for loan waiver. He has stated that it is one per cent of the GDP. How much amount? It is one per cent of Rs. 57 lakh crore. It is an investment on farmers. Sir, this is an incentive. They are freed from all burden. They will go with free had to produce more for the nation and also for Karnataka. Sir, there is some hitch there. The other day I made this point. Your cut off date is 31st March, 2007. It is not going to benefit because these people have given a relief of Rs. 25,000. All the people who have taken this benefit, they are deprived. They are not in a position to get anything. In order to get Rs. 25,000, they gave up everything. They are in tears. What you have to do? Please extend it by 31st December 2007. It is going to help us. Sir, otherwise, how will you

come up in a big way? We accept it. It is a good beginning that has to be made. Otherwise, he has given a good example. He has not stated it in those terms; but when a child is affected by polio or when a child is handicapped, it is the duty of the parents to look after that child. Likewise, when they are economically weak, they have to be looked after. In the present Budget, if you kindly look at the social sector of the Karnatka Budget given by the present administration, it is a good beginning that has been made. I compliment the Governor. And here, these people are criticising the Governor day in day out. Here is a person, Sir, who is meeting the common man. To that also, there was an objection. He is meeting thousands of people and looking into their grievances. He must continue that till the next election. And I would say, prepare voters' list properly and then hold elections; even if it is tomorrow, we are ready. Without proper voters' list, we are not prepared for elections. Tomorrow, if you say that. ...(*Interruptions*) One minute, if you don't mind. Otherwise, the Election Commission should declared, "If there is some defect found in voters' list after elections, if some people are deined their voting right, we will be responsible"; you take action against the Election Commission. Let them assure that to the people of Karnataka. We are prepared for elections even tomorrow.

SHRI SANTOSH BAGRODIA: The Deputy Chairman is from Karnataka. He is also from Karnataka. We agree to it. Let us pass it right now.

**श्री के० बी० शणप्पा** (कर्णाटक): उपसभापति जी, वित्त मंत्री जी ने जो बजट Karnataka के बारे में रखा है, मैं इसकी ज्यादा बहस में नहीं जाता, क्योंकि हमारे नेता श्री वेंकैया नायडु जी ने यहां पर बहुत ही अच्छे तरीके से उसको रखा है। उन्होंने 54,000 करोड़ रुपए का टोटल लिया और उसमें 21,751 करोड़ रुपए का डेवलपमेंट का plan outlay लिया है। मैं Karnataka का पूरा ब्यौरा नहीं देना चाहता हूं, लेकिन एक दर्द मेरे दिल में है। जिस जगह से मैं आया हूं, उसको Hyderabad-Karnataka के नाम से पुकारा जाता है। To that Hyderabad-Karnataka, Bidar, Gulbarga, Raichur, Koppal and, very lately, Bellary have been added. यह वह भाग है, मैं समझता था कि इस बजट में आपकी तरफ से एक नया मोड़ मिलेगा। हम तो समझ रहे थे कि Karnataka का बजट तो भाजपा की सरकार रखेगी ...(व्यवधान) अफसोस की बात है कि आप जो Treasury Benches पर बैठे हैं, आप लोगों की पोलिटिक्स से वह इलेक्शन आगे चला गया, लेकिन Karnataka के लोग इतने होशियार है कि आप एक साल तक भी Karnataka के चुनाव को आगे ले जाइए, लेकिन वहां पर सरकार बी०जे०पी० की ही आएगी, उसको कोई रोक नहीं सकता है। आप लोगों ने 55 साल से जो हुकूमत की है, हम तो यह समझ रहे थे कि इस बजट को केन्द्र सरकार की तरफ से श्री चिदम्बरम जी रख रहे हैं, तो कुछ Central Aid इस भाग के लिए होगी। मैं नहीं समझता कि आपको इस पूरे भाग की geographical knowledge है। यह वह जगह है, जहां पर खनिज की संपत्ति है। Gulbarga has got cement deposits, वासवदत्ता सीमेंट का कारखाना वहीं पर है, सेडम में। राजेश्वरी सीमेंट वहीं पर है, शाबा सीमेंट फैक्टरी, जो 1926 में चालू हुई थी, वह HMP के नाम पर थी, वह अब जवाहर सीमेंट में बदल गई है। वाड़ी, एशिया में सबसे बड़ी सीमेंट फैक्टरी है। उस जगह से जितना भी सीमेंट जाता है, भाखड़ा-नांगल से लेकर अपर कृष्णा प्रोजेक्ट तक के बहुत से प्रोजेक्ट्स उसी से बने हैं, लेकिन आज भी वहां का रोड और वहां के लोगों का standard of living, एक करोड़ बीस लाख लोग उस एरिया में रहते हैं, पचास साल के बाद भी वह वैसे का वैसा ही है। वहां आज तक भी एक एयरपोर्ट नहीं बन सका। वहां कई सरकारें आई और कई सरकारें चली गईं, हमने कई बार वहां के लोगों की तरफ से अनुरोध किया तथा वहां के 20-25 एम०पीज़० ने हस्ताक्षर करके दिया कि अगर उस

**4.00 P.M.**

भाग का डेवलपमेंट करना है, तो वहां पर एक एयरपोर्ट बनना चाहिए, क्योंकि वहां आने-जाने के लिए लोगों कोई कोई सहूलियत नहीं है। हैदराबाद 250 किलोमीटर की दूरी पर है। गुलबर्गा में 526 एकड़ जमीन लिया, जब 150 एकड़ जमीन और मांगा, तब भी वह जमीन दिया, लेकिन एयरपोर्ट में आज तक कोई भी बदलाव नहीं आया। सर, गुलबर्गा को छोड़िए, बीदर वहां से 140 किलोमीटर की दूरी पर है। वहां पर एयरफोर्स का एक ट्रेनिंग सेंटर है। At least, you would have started it there, so that people from various parts of the country would have

invested their money in that area. वहां पर वह भी नहीं हुआ। वहां पर एक एमएसके मिल थी, वह भी बंद हो गया है। वहां पर जो 24 छोटी-मोटी सीमेंट फैक्ट्रीज थीं, वे तमाम collapse हो गईं। वहां लोग इम्प्लायमेंट के लिए तरसते हैं। इस बजट में मैंने सोचा था कि सेन्ट्रल गवर्नमेंट की तरफ से वहां कोई बड़ी फैक्ट्री लगाई जाएगी, ताकि वहां के ITI से पास हुए जो टेकनिशियन्स हैं, इंजीनियर्स हैं, डॉक्टर्स हैं, बहुत से Scientists हैं, जहां पर Education Centres हैं, वहां पर दो यूनिवर्सिटीज हैं, वहां के बच्चों को कहीं पर कोई नौकरी नहीं मिलती है। मैंने सोचा था कि चूंकि हमारे Finance Minister बहुत अच्छे तरीके से Finance का हिसाब-किताब रखते हैं, उस भाग के बारे में कुछ comments देंगे। मैंने उसमें देखा है, उसमें ऐसा कुछ नहीं है, आपने हैदराबाद के डेवलपमेंट के बारे में कहा है, लेकिन 107 करोड़ रुपया दिया है। सर, Dr. Nanjundappa की अध्यक्षता में एक Committee का गठन हुआ था। He was the greatest economist of the country. आपको पता है, 2002 में श्री एस॰ एम॰ कृष्णा की गवर्नमेंट में उन्होंने उसका गठन किया था। He has already submitted his Report. In his Report, he said that the area has to be developed. We cannot keep it at par with other parts of Karnataka. उसके लिए उन्होंने कई suggestions दिए। He said that Rs. 13,000 crores should be provided, and it has to be spent within a span of eight years. Sir, six years have already passed, but nothing has been implemented so far. Sir, no money was given to that area. So far, hardly, Rs. 200 crores to Rs. 400 crores have been spent. I am not talking of any particular Government. Nobody has taken care of it.

सर, मैं आपको एक और बात बताना चाहता हूं। बेल्लारी Iron-ore और Manganese के लिए देश का सबसे बड़ा depository है। वहां से सालाना हजारों टन Iron-ore और Manganese जाता है। मुझे जो information है, every year, they are giving Rs. 2,000 crores in terms of tariffs and taxes. उन्होंने सीमेंट का रेलवे टेरिफ तीन हजार करोड़ रुपए दिया है। Raichur is having gold deposits. हट्टी गोल्ड माइन्स वर्ल्ड में इतना फेमस है, लेकिन वहां के लोग आज भी गरीब हैं। हजारों साल से, सैकड़ों साल से वे लोग वहां पर मेहनत करते आ रहे हैं, लेकिन आज भी उनका standard of living उसी तरह से है।

वहां पर रोड्स में कोई डेवलपमेंट नहीं हुआ। हैदराबाद से NH-9 कर्णाटक के चार डिस्ट्रिक्ट्स में 50 किलोमीटर जाती है, लेकिन आज तक एक नेशनल हाईवे नहीं बन सका। कई प्रपोजल्स आपके पास भेजे गए। श्रीरंगपटनम से बीदर और बालदारी से हैदराबाद, यह आठ साल से पेंडिंग है। अंत में कर्णाटक गवर्नमेंट ने श्रीरंगपटनम से बीदर के रोड का डेवलपमेंट किया है, बाकी के रोड्स वैसे ही हैं। मैं साचता था कि इसका हिसाब-किताब इस बजट में मिलेगा। लेकिन अफसोस है कि you have not mentioned anything about it.

दूसरी बात यह है कि चुनाव के बारे में ज्यादा नहीं बोलना चाहता हूं। पुजारी जी मेरे बुजुर्ग दोस्त हैं, मैं उनका बहुत respect करता हूं। मैं पुजारी जी का इसलिए respect करता हूं क्योंकि वे कड़ी बोली बोलते हैं। Hard talk -कांग्रेस में इसलिए famous नहीं है या कर्णाटक में भी वे इसलिए famous हैं कि वे जो बोलते हैं, वे मन में कोई कपट नहीं रखते। आज इस सदन में जो उन्होंने बोल दिया कि हम असैंबली को आगे डालने वाले नहीं हैं, बड़ी खुशी की बात है, We welcome it. लेकिन आपके जो*

श्री उपसभापति: नहीं आप उनका नाम मत लीजिए। जिनका नाम लेना अच्छा नहीं है सदन में, I'm very sorry to take it.

श्री के॰ बी॰ शणप्पा: आप के नेता लोग कोई न कोई तरीका निकाल रहे हैं, how to postpone it. You have already postponed it by four months. यह चुनाव अगर आज हो जाता, तो इसका बजट Government of Karnataka रखती। चार महीने पहले 20 नवंबर को आपने इस राज्य में गवर्नर रूल लगाया, तो चार महीने very much sufficient for you. राज्य सभा चुनाव तो आगे चले गए। ....(व्यवधान).... राज्य सभा का चुनाव बंद हो गया। ....(व्यवधान)... आप भी उसी में हैं। राज्य सभा के पुजारी साहब भी हैं, चन्द्रशेखरन साहब हैं, प्रेमा करियप्पा भी हैं, अच्छे-अच्छे मैम्बर्स हैं। ....(व्यवधान).... अफसोस इस बात का है कि अच्छे Parliamentarians we are losing because of your mistake. एससी/एसटी की बात आपने कही। कर्णाटक के एससी/एसटी लोग बहुत होशियार हैं। 2004 का जो चुनाव हुआ, Out of 33, 16 people have been elected from BJP. People are not fools; there are

*Not recorded

educated people from that community also. उन्होंने यह महसूस किया, सालों से secularism की बातें, सालों से, पचास साल से दरिद्र, हरिजनों, गरीबों के बारे में जो आप बोलते रहे, People of Karnataka have already come out of it and next elections, आज जितनी भी 44 या 55 सीटें बनी हैं, उसमें से 50 परसेंट BJP will win in elections. मैं आपका ज्यादा इसलिए शुक्रगुजार हूं और उपसभापति महोदय, आप भी वहीं से आए हैं। आपको पता है जिस चुनाव का हम बार-बार यहां पर जिक्र करते थे, entire Karnataka नहीं, पूरा देश जानता है यह कि how it has been postponed. जरूरी नहीं था। लोग एक पॉपुलर गवर्नमेंट वहां चाहते थे। किसी को कोई इल्म नहीं था कि कौन चुनकर आने वाला है। आपको क्या पता है कि आप ही चुनकर आने वाले हैं? लोगों का एक Trend रहता है। Yeddiyurappa ने जो अच्छी तरह से फाइनेंस का बजट किया है, लोगों ने यह महसूस किया है कि जो एक सिक्योरिटी उनको मिली थी, हरिजनों को, औरतों को, गरीबों को, किसानों के पच्चीस हजार का जितना भी कर्जा था, वह उन्होंने माफ किया था। आपने जो कर्जा माफ करने का दिया था आपके बजट में, मैं नहीं समझता कि इससे ज्यादा कर्णाटक को कुछ benefit होगा। हैदराबाद-कर्णाटक में पचास एकड़ की जमीन है, वह दो एकड़ जमीन कोई irrigation project के equal नहीं है। पचास एकड़ भी रहा, उसको कुछ भी नहीं मिलता। कभी-कभी climate conditions ठीक नहीं रहती और खराब season की वजह से वह गरीब मर जाता है, लेकिन आपका जो भी Declaration of farmers' debt relief किया है, इससे हैदराबाद-कर्णाटक नहीं, पूरे कर्णाटक के लोगों को कोई फायदा नहीं होता, इसको कम से कम scientific तरीके से आप मालूम करा लीजिए, what is the status of the minimum कितने एकड़ वाला है? पंद्रह एकड़ वाला है या बीस एकड़ वाला है? किसको आपके बजट से फायदा होगा, कम से कम उसके लिए एक कमेटी बैठाकर एक रिपोर्ट अगर आप लेकर देते, तो मैं समझता हूं कि अच्छा होता। आपने आज जो यह बजट दिया, यह तो प्रजातंत्र की बात है, आपको तो रखना ही पड़ेगा, कल के दिन 356 में। अगर हम वहां हुकूमत करते तो, हम भी करते, लेकिन हम तो आपसे ज्यादा आशा करते थे कि आशा का ज्यादा मतलब नहीं हुआ। You have given a limited Budget for six months. और मैं समझता हूं कि आने वाले अगस्त में elections होंगे, ऐसा आप ही लोग बोल रहे हैं। हमको तो पहले से इल्म नहीं था लेकिन आज खुलासा हुआ कि आपके मन में भी साफ है, आपके मन में यह क्लीयर है, जनार्दन पुजारी जी ने कह दिया कि उनकी पार्टी before time election करने वाली है। मैं आपका शुक्रगुजार हूं, आपकी ताईद करता हूं कि इतनी देर आपने मुझे बोलने का वक्त दिया। आपको धन्यवाद देते हुए मैं अपनी बात खत्म करता हूं।

**श्री विजय कुमार रूपाणी:** सर, ये हिंदी में बोले, इसके लिए इनका धन्यवाद।

**श्री उपसभापति:** वे अच्छी उर्दू बोलते हैं, वे हैदराबाद-कर्णाटक के एरिया के हैं।

**श्री रूद्रनारायण पाणि** (उड़ीसा): सर, आप भी बढ़िया हिंदी बोलते हैं।

**श्री उपसभापति:** हम तो बोलते ही हैं। श्री राजीव चन्द्रशेखर, बोलिए।

SHRI RAJEEV CHANDRASEKHAR (Karnataka): Mr. Deputy Chairman, I thank you for giving me this opportunity to speak on the Budget of my State of Karnataka presented by the hon. Finance Minister.

Sir, you are aware that my State is under the President's Rule and after the collapse of the coalition Government last year there is no popular Government in office today. Therefore, the Budget takes on an important responsibility of ensuring that the growth and development of the State does not stall, and, at the same time, addresses some of the key emerging issues. This is important because after peaking of growth at 10.7 per cent of GDP in 2004-05, growth has tapered off in the State subsequently to 7.5 in subsequent years. Sir, the increased Plan Outlays, and the increased allocations in the Budget to the various sectos are welcome and on behalf of the people of Karnataka I thank the Government for the same.

Sir, my colleagues, MPs from Karnataka, have already discussed many issues in the Budget in this House and the other House. So, I will be brief and to the point today. Sir, my State has reasonable socio-economic indicators coming into this year in matters like health,

education, electricity, and water. It is in the top quartile amongst all States. There is obviously, and it is accepted by everybody, a need for significantly more investment in both health and education and more importantly, as I stressed during my speech on the Union Budget, there is a need to ensure that the spending efficiency of the Government of Karnataka is also significantly improved if these outlays are to make any difference to the people who are to benefit from them. Unfortunately, this Budget makes no mention of this issue at all and given that the hon. Finance Minister and many Members of the Government have repeatedly referred to the fact that this is State's mal-goverenance that is affecting the delivery of Government's spending and programmes and it is very disappointing, the Budget and the speech does nothing about the critical issue of efficiency of Government's spending. Sir, it is a well-known fact that my State's development over the last five decades or so has not been uniform or even. Whilst parts of our State progressed well, many pockets of our State, like the Hyderabad-Karnataka region, today continue to be severely underdeveloped and, there is very little by way of investment and creation of jobs and, therefore, there is very little hope of prosperity for the people of that region.

Members of Parliament from our State cutting across party lines have urged the Government to give the region a special status much in the same way as Vidarbha in Maharashtra and Telangana in Andhra Pradesh have been given. Our State Legislature have already passed a unanimous resolution to this effect and I would urge the Government through the hon. Finance Minister to move on this issue expeditiously so that the State and particularly this region can start seeing the economic progress that many other parts of the country are seeing. Sir, this is article 371(a) regarding Special Status.

Sir, my State has a vast coastline and also many forest reserves on its borders with Andhra Pradesh, Kerala, and Tamil Nadu. Both the coastline and these forests now pose a clear and present danger of naxalism and Terrorism. The Budget does not provide, at least, I do not see it, Sir, any special outlays towards the increased security and protection needs of our State both in terms of terrorism and Naxalism. So, I would urge the Union Government to look into the issue and provide for both the conceptual and the financial support to the overall issue of coastal security and for the conceptual joint policing and for task forces along the borders with other States, and for increased funding for modernisation of police forces in terms of technology and other tools.

Sir, the House is already aware that there is a long standing demand from the people of my State to make kannada a classical language and for renaming its cities to be more reflective of their historical identities and culture. Both these are pending with the Union Government and I would urge the Government through the Finance Minister to expeditiously clear the same.

Sir, before ending, I would like to discuss infrastructure and Bengaluru. Sir, the Union generates considerable direct and indirect taxes from our city and Bengaluru is as much a city of India as it is a city of Karnataka. I am disappointed that the Budget and Statement do very little about infrastructure development in Karnataka in general and for Bengaluru in particular. Sir, would urge the Government through the Finance Minister that Bengaluru must be treated as a strategic city just as Mumbai has been and I would urge for a complete package for infrastructure and urban development to make it a modern metropolis. The current and unnecessary controversy of closing down an existing airport points to the lack of a coherent vision for infrastructure development and capacity development in our city. The lack of infrastructure capacity is fast becoming a bottleneck for growth and I would

urge that this issue be addressed urgently before it becomes a serious impediment for growth in furture years. I would urge the Union Government to use this period of President's Rule to draw out a comprehensive and practical plan for city's development. This could be the blueprint for the future popular Governments to follow, however short-lived or long-lived they may be. I look forward to the Finance Minister for taking some initiative on this critical issue. This is holding back development as I said, Sir, of Bengaluru and my State. Thank you, Sir.

SHRI B.K. HARIPRASAD: Sir, I rise to support this appropriation Bill (Vote on Account) of Karnataka presented by the hon. Finance Minister. Sir, I find this Budget proposal most realistic and totally out of any populist measure. Of course, it is a tradition and practice of the Opposition to criticize the Budget though they admit that the Budget presented during the period of JD(S) and BJP, which was an unholy alliance, deceptive alliance, defective alliance, of that political period, their Budget, which has been carried forward. And in this Budget, Sir, my senior colleague, Shri Janardhana Poojary has rightly given both the political and budgetary aspects of vote on account. I would like to stress on a couple of points. The people of Karnataka feel that JD (S) and BJP alliance was deceptive and there was an anti-people Government. One of the best examples is, settling scores withsome of the leaders; they banned lotteries and sale of arrack in Karnataka. Fine, Sir, lottery should be banned. The whole country accepts that but before banning the sale of arrack, which is a traditional and age-old practice, one must see that lakhs of people are involved in this trade. When they banned the sale of arrack in Karnataka, lakhs of people were rendered jobless and thousands of people came on the streets. Without any rehabilitation schemes for these poor people they have banned the sale of arrack but they encouraged big bottling companies. The big bottling companies came forward to distil arrack and sell it to the poor people at higher rates. I don't understand the logic. If at all they feel that arrack is bad, drinking is bad, they should ban all kinds of liquors in the State, instead of banning arrack which is known as a poor man's drink. Sir, as far as health sector is concerned, the Finance Minister is very kind enought to increase the allocation for various sectors like education, health and agriculture. As far as health is concerned, Sir, I don't think allocation is enough for the State of Karnataka though we have umpteen number of medical colleges with hospitals but we expected a kind of hospital like the All India Institute of Medical Science for Karnataka because during the days of NDA, when they announced Medical colleges like AIIMS in the country, they chose only the Northern parts of the country, like the one in Jaipur, Bhopal, Bhubaneswar, Guwahati and another one is somewhere in patna. They totally neglected South India. This shows the Scant respect they have for the Southerners. Sir, I expected the Finance Minister to announce at least one big research institute or an All India Institute of Medical Science type of hospital in any part of Southern India preferably Bangalore. Bangalore is one of the major developing cities, one of the fastest gorwing cities, in South East Asia. I thought this city would get preference. Unfortunately, nothing has been said about it in this Budget Proposal. Sir, as rightly pointed out by my other colleague from the Hyderabad-Karnataka area, which is known as the Northern part of Karnataka, he has rightly said that that part of the State has been totally neglected for quite a long time. Earlier Governments had sanctioned no doubt about Rs. 1400 crores for the development of this the part of region. Dr. Nanjundaswamy had given his report on the regional imbalances in the State. There is some special status for Marathwada region and Telengana region. We expected the same status would be given to Northern Karnataka, especially, the Hyderabad-Karnataka region. But, anyway, he has given now Rs. 2400 crores. Earlier, Rs. 1400 crores were allocated. That was the fate of that coalition Government in the State.

The other point I would like to make is, the previous Government i.e., BJP-JD(S), had made some provisions, not for the people who are displaced because of their schemes, particularly due to ban of arrack. But, they started giving from the exchequer huge money to the mutts and all other kinds of institutions which are far away from the common man or the common people. Why I am saying this is that during 1999, When the BJP came to power, it slogan was, हम लोग भाई, भूख, भ्रष्टाचार को मिटा देंगे। By the end of 2004, the country was full of भाई, भूख, भ्रष्टाचार and Whereas, when we came of power in 2004, the All-India Congress Committee President said that this Government belongs to Aam Aadmi. Even today we address the issues of Aam Aadmi, especially the common man and the poor man. That is how our President is very much concerned about the poor people, especially the farmers. As my senior colleague Mr. Venkaiah Naidu said, the Government has not done anything to the farmers. I think, between 1999 and 2004, the disaster for the farmers could be seen. They never addressed the issues of farmers, as rightly intervened by the hon. Finance Minister. During their tenure of 6 years they did not do anything for the farmers. We, from the day one, whether it is Vidarbha Package or farmers relief of Rs. 25,000 crores to farmers, it is the UPA Government which is doing for the farmers and I expect a little more financial assistance for the rehabilitation of the people who are displaced due to various kinds of programmes undertaken by the JD(S)-BJP Government.

Sir, for the PWD, even though there is an allocation of Rs. 3,271 crores and an additional Rs. 145 crores made available, but the infrastructure in Karnataka is in a bad shape. When you travel from Bangalore to Mangalore, the ghat region from Shiradi to Mangalore—60 kms.—the traffic becomes standstill. It is almost since two years that those roads have not been taken care. In the morning I could hear from the hon. Finance Minister the implementation part of the programmes under the JNNURM comes under the State Government and they should take it up and complete these projects as early as possible.

Coming to my city—Bangalore—where I have born and brought up, a meagre allocation of Rs. 240 crores has been given in the Budget. As has been reghtly said by my friend, Mr. Rajeev, Bangalore city is not just an IT city or a BT city, it is a science city and prior to that it was known as silk city. Now, it is known as BT and IT city.

Mr. Venkaiah Naidu was saying that it is the Congress Party which is responsible for postponement of elections in Karnataka. But, I just want to ask him a question. What makes them to postpone the Bangalore Corporation elections for the past two years? When they came to power in 2006, the tenure of Bangalore City Corporation came to an end. They took the pretect of expanding Bangalore city as Bruhat Mahanagara Palike from 100 wards to 150 wards. It is almost one-and-a-half years. We have been demanding to hold elections to the Bangalore City Corporation. The Bangalore City had 12 Assembly segments. Now, it has gone up to 28 segments. It is not the Congress Party which is saying that the elections should be postponed. It is not Janardhana Poojaryji or Venkaiah Naiduji or Oscar Fernandesji saying that the elections should be postponed. If they have time or patience, they should go through the website of the Election Commission where it has clearly said that in Bangalore along, out of 39,000 booths, almost 14,000 booths have got more than 5,000 voters in each booth. How can all 5,000 voters exercise their franchise in one booth during election? That is our concern. He was speaking more on elections, than speaking on the Budget. Sir, as rightly said by Shri Janardhana Poojaryji, there are 58 lakh bogus voters enlisted in the Voters List during the 20 months period of JD(S)-BJP rule. Because they are known for rigging and adding the bogus names in the voters' list. It is not the Congress Party which is

saying that 58 lakh bogus names are there, it is the Election Commission that has categorically said that 58 lakh bogus voters are there in the voters' list, and they have been deleted. That's how we, as a responsible political party, do not want to deny any opportunity for the weaker sections of the society, especially, the Scheduled Castes, the Scheduled Tribes and the Backward Classes, to exercise their right to vote. We are insisting that first a proper list should be made, then, they can go in for elections. Whether they go for elections in the month of March or April or May or August or November, it is immaterial to us. It is for the Election Commission to decide, and not for any political party. The Election Commission is a constitutionally-protected authority, which decides the elections and not by any political party. We can only give our views. So, it is for the Election Commission to decide. They should not blame the Congress Party for the postponement of the elections. If at all they are so much interested in going to the people, why did they form a Government along with the JD(S)? It was the most deceptive Government that we had. The people of Karnataka never deserve such a type of Government. For twenty months Karnataka witnessed one of the disastrous performance by these representatives of people. They are responsible for all the ills that exist in Karnataka. We also want that a stable Government should be there in Karnataka and elections should be held as early as possible. There is no doubt about that, provided the electoral rolls should be perfect.

The hon. Finance Minister has very kindly given Rs. 100 crores for the water treatment plant in Chennai. Bangalore alone requires Rs. 33,000 crores for sewerage and water supply. I expect some relief from the Centre for this developing city. Thank you, Sir.

SHRI P. CHIDAMBARAM: Sir, I am grateful to Shri M. Venkaiah Naidu, Shri Janardhana Poojary, Shri Shanappaji, Shri Rajeev Chandrasekhar and Shri Hari Prasad for participating in this debate.

I am glad that Shri Venkaiah Naidu, an adopted son of Karnataka, has passionately appealed for the State of Karnataka. This could have been a very peaceful debate, without any political overtones. But the political overtones were not introduced by the sons of the soil of Karnataka, but by the 'adopted son' of Karnataka. He asks why is the Finance Minister seeking a Vote on Account for six months. I would ask him to take a step back and put a further question, why has it becom necessary to seek a Vote on Account? Step back again and put a question, why was there a collapse of the Karnataka State Government? Step back again and put a further question, why was the gentleman who showed unseemly haste to be sworn as the Chief Minister for a period of six days? And, again step back and put a question, who were the two people, quarrelling like Kilkenny cats for one month in chasing one post of Chief Minister? So, if anyone is responsible for the collapse of an elected Government in Karnataka, it is not the party that I represent, but it is two other parties.

Sir, in Karnataka, there were elections. There was a three-way split of votes. The Congress Party and the JD(S) came together and formed the Government. That Government was running peacefully and in harmony. Who fished in troubled waters? Who muddied the waters? Who created an unholy alliance? Who entered into this unprecedented arrangement thay you will rule for twenty months and I will rule for twenty months? And, who brought about his collapse after the first 20 months? So, I think, Sir, the boot is on the leg of the BJP. If any party has to take the blame for the collapse of ...(*Interruptions*)...

**श्री नारायण पाणि:** देवेगौड़ा जी की सरकार क्यों गिरा दी गई थी? जिसमें आप वित्त मंत्री थे, 1997 में, देवेगौड़ा जी की सरकार क्यों गिरा दी गई थी?

श्री उपसभापति: पाणि जी बैठिए। आप कहां जा रहे हैं?

SHRI P. CHIDAMBARAM: He asked a question and I am answering it. ...(*Interruptions*)...

SHRI S.S. AHLUWALIA (Jharkhand): What is this arrangement between Shri Ghulam Nabi Azad and PDP in Jammu and Kashmir? ...(*Interruptions*)...

You started it. ...(*Interruptions*)...

SHRI V. NARAYANASAMY: Mr. Ahluwaliaji, that was holy alliance. Your's is unholy alliance. ...(*Interruptions*)...

SHRI P. CHIDAMBARAM: In a parliamentary democracy, ...(*Interruptions*)... In a parliamentary democracy and in a parliamentary debate, if you are prepared to give, you must be prepared to take also. ...(*Interruptions*)... The point is, if any one party is responsible for the collapse of an elected Government in Karnataka, and creating a situation that I have to present the budget on hehalf of Karnataka, I say with great respect, it is the BJP. The people of Karnataka know that it is the BJP which muddied the waters, which fished in troubled waters, and which had showed unseemly haste to install a Chief Minister and the Government collapsed.

Be that as it may, let us come to the Budget. ...(*Interruptions*)...

Let us come to the Budget now. Sir, the outlay for 2008-09 represents a 12 per cent increase over the outlay for 2007-08 and, that, by any measure, is a substantial increse. In respect of the annual Plan, the Planning Commission has approved an increase of 22 per cent from Rs. 17,782 crore to Rs. 21,751 crore. In fact, this compares very well with the increases in the previous annual plans. And, this clearly demonstrates that the Government of India is not discriminating between one State and another. We have given a substantial increase in Plan allocation for Karnataka for 2008-09. Sir, Karnataka's finances are in good shape. I compliment successive Chief Ministers and successive Finance Ministers, but the starting point was the Congress Chief Minister. In 2002, the Fiscal Responsibility Act was enacted in Karnataka. But for the Fiscal Responsibility Act in Karnataka in 2002, it would not be in such a happy situation. So, while I compliment successive Finance Ministers and successive Chief Ministers, let us give the original credit to the Chief Minister of the Congress Party in 2002. Sir, in 2008-09, Karnataka will have a revenue surplus of Rs. 2,972 crore. I wish some day; the Central Government will also have revenue surplus. This morning, I explained the advantage of creating fiscal space by keeping a headroom in the fiscal deficit.There is a double advantage if you have a headroom in the fiscal deficit, as well as, the revenue surplus. If you create fiscal space for yourself and if you have a revenue surplus, it gives so much more freedom to the State Government to spend on projects which it wants to spend. I compliment, again, successive Governments of Karnataka for creating this revenue surplus for the last several years.

Sir, outlays have been increased under every Head. I do not wish to take the time of the House. But, it you take Head after Head, outlays have been increased. I have ensured, when the papers came to me, that no outlay is less than the Revised Estimate so that nobody will point a finger and say you have cut funds. Funds are available. Whenever an elected Government assumes office in Karnataka, you will find that enough funds are available, and they can immediately spend from the first day rather than wait for two or three months to prepare a budget.

Sir, there was some criticism, I think, misplaced, about the devolution of funds from the Centre to the State. That is not correct. I am reading devolution of funds from the Centre to the State, both taxes and Grants from 2002-03. During 2002-03, it was Rs. 1,665 crores. During 2003-04, it was Rs. 1,986 crores. Then came the UPA Government. During 2004-05, it was Rs. 2,146 crores, 2005-06, it was Rs. 3,632 crore, 2006-07, it was 4,801 crores, 2007-08, it was Rs. 5,519 crores. So, what is the complaint? Year after year, we have increased the devolution of funds to Karnataka from Rs. 2000 crores to Rs. 3000 crores odd, to Rs. 4000 crores-odd, and now Rs. 5000 crores-odd. I think somebody most have given wrong figures to Mr. Venkaiah Naidu, and I hope you will correct these figures.Then, Mr. Venkaiah Naidu tried to resurrect the debate on the General Budget and said, "why loan waivers now?" Then I turned round and asked him why didn't you do anything for six years? Then someone said, "Why did not you do anything for four years?" These are questions which can trail. If you had asked me this question in the morning, I would have answered it even then. Let us understand one thing. As long as the fiscal deficit is over three per cent, there is no scope for undertakiing an ambitious scheme like loan waiver. Because you do not have the fiscal space to undertake this. The first time the fiscal space to undertake an ambitious programme like debt forgiveness or loan waiver is available will be only in 2008-09 when we have brought the fiscal deficit to below three per cent. In fact, if you ask the Finance Ministers of the BJP Government, they would not admit to this fact, because they did not have this opportunity, because they could not control fiscal deficit. The greatest success of the UPA Government in fiscal management is its ability to bring fiscal deficit to below three per cent. Because we have brought the fiscal deficit to below three per cent in 2008-09, we have got the fiscal space to undertake an ambitious programme like the loan waiver. I could have done it last year, but that was fraught with the risk. When I do it next year, it will be fraught with very little risk, and as I explained this morning, Rs. 40,000 crores of the Rs. 60,000 crores will be provided between July 2008 and February 2009, during the tenure of this Government, unlike what Mr. Madhu Dandavate did. He announced a loan waiver scheme. He provided Rs. 1,500 crores in the first year, the remaining Rs. 3,766 crores was picked up by the successor Government of which Dr. Manmohan Singh was the Finance Minister, I do not intend to leave such a legacy. Out of Rs. 60,000 crores, Rs. 40,000 crores will be provided between July 2008 and February 2009 during the Vote on Account, when the UPA Government will be in office, and I have not doubt in my mind, you might laugh it away, that the remainder also will be provided by another Congress Finance Minister, (*Interruption*).

Sir, Mr. Venkaiah Naidu asked about the PDS. Please remember, during the six years of the BJP Government, agriculture was not doing well. Numbers speak for themselves. (*Interruption*).

SHRI M. VENKAIAH NAIDU: Go through your Economic Survey.

SHRI P. CHIDAMBARAM: Please, listen to me. That Economic Survey related to 2003-04, when agriculture bounced back from a negative growth of the previous years. The agriculture growth in 2002-03 when Mr. Yashwant Sinha was the Finance Minister, and I believe Mr. Venkaiah Naidu may have been an important Member of the Cabinet, was 5.9 per cent. So, next year, statistically, on a minus as basie, you will have a high growth of 9.3 per cent, but in the six-period of the NDA Government, agriculture growth averaged three per cent. In the three year period of the UPA Government, for which figures are available, in 2004-05, 2005-06 and 2006-07, agriculture growth has averaged 3.5. This year, it has

declined to 2.6 per cent; that is why, we say that we must make every effort to bring back the agricultural growth to four per cent. So, let him not take credit for revival of agricultural growth. There was no revival of agricultural growth. In fact, agricultural growth was very poor during the NDA Government. Then, Sir, he said that we are starving the PDS. Sir, what is the test of the successful PDS? The test of successful PDS is the offtake of foodgrains from the PDS. The offtake of wheat and rice is the real test of a successful PDS. So, we have to therefore look at what was the offtake during the NDA Government and what is the offtake in the UPA Government. We have these figures here. The off-take in the PDS in the NDA Government was: in 1998-99-wheat and rice together- 186 lakhs; in 1999-2000, it was 170 lakhs, in 2000-01, it was 140 lakhs; in 2001-02, this figure was 137 lakhs, in 2002-03, it was 200 lakhs; and, in 2003-04, it was 238 lakhs. The maximum off-take was 238 lakhs, wheat and rice taken together. In 2004-05, after our Government came into office, the off-take was 292 lakhs, in 2005-06, it was 310 lakhs; in 2006-07, it was 313 lakhs, and, for 2007-08, only up to December figures are available. The total figures are not available. So, in terms of wheat and rice provided to the PDS-and wheat and rice that was taken by the beneficiaries of the PDS-clearly the record of the UPA Government is more than 300 lakhs a year. They never touched anywhere near 300 lakhs. Sir, let me quickly come to the Karnataka, Budget, *(Interruptions)*...

SHRI M. VENKAIAH NAIDU: Sir, I think, it will be honest to admit that there is a reduction in the foodgrains provided to the States.

SHRI P. CHINDAMBARAM: Sir, I do not have the figures today as to what was alloted to each State. I am giving published figures of off-take of PDS from 1998-99 to 2006-07 for which full figures are available. If there is any particular State about which there is some complaint about allocation in the current year, that question can be easily put to the Minister of Food. But I can get you the information and supply it to you. I do not have those figures with me right now because I thought you were dicussing the Karnataka Budget....*(Interruptions)*...

SHRI M. VENKAIAH NAIDU: You are the Finance Minister of the country ..*(Interruptions)*...

SHRI P. CHIDAMBARAM: If there is a complaint, address it to the Minister concerned or I will help you get the information. I am not running away from the problem. I am answering his question that we are starving the PDS. I have given the figures; figures speak for themselves. Sir, there was some question about Bangalore, I think, again based on inadequate information, I would not say lack of information, or, misunderstanding. Bangalore has been provided a substantial amount of money under various heads. You will have to look into the Budget documents to look at the various heads. It is under 'Funds provided for Bangalore-specific programmes.' The figures are like this. 'Programme under National Urban Renewal Mission — Rs. 700 crore; Roads in and around Bangalore to decongest the city-Rs. 240 crore; Cauvery Water Supply Project- Rs. 378 crore; Karnataka Municipal Reforms Project which involves Bangalore and the municipalities around Bangalore—Rs. 100 crore; Bangalore Metro Rail Project -- Rs. 200 crore; State Finance Commission Devolution to Bangalore City Corporation -- Rs. 450 crore; Bangalore International Airport Proejct—Rs. 93 crore; Bangalore Metropolitan Development Authority's Plan Outlay—Rs. 250 crore; Bangalore Traffic Improvement Project—Rs. 38 crore; Seed Capital for High Speed Rail Link to New Airport—Rs. 5 crore; total Rs. 2454 crore. I hope Rajeev will take back this information and tell the people of Bengaluru that

enough has been provided to Bengaluru. Sir, for the rail link to Airport, of course, we have provided only Rs. 5 crore, but why? It is because even an SPV has not yet been constituted. The Government about which Mr. Venkaiah Naidu is very proud should have at least constituted the SPV before they laid down office. The SPV has not been constituted. I am providing the seed money of Rs. 5 crore to constitute the SPV. Once the SPV is constituted that SPV will formulate a high-speed rail link and invite bids. Once bids are invited, money can be provided. There is enough revenue surplus. There is Rs. 2972 crores as revenue surplus. It can always be provided.

Sir, Mr. Venkaiah Naidu rightly claimed credit for four per cent agricultural loan. Well, I think he hides more than he reveals. Andhra gives at same rate; Orissa gives at same rate; Tamil Nadu gives it at five per cent. So, all the States, in the part of the country, are giving agricultural loans at very low rates. But there is a small history to it and I thought I should mention this history before we understand this statement in perspective. Sir, NABARD provides refinance at 2.5 per cent. It is because NABARD is providing refinance at 2.5 per cent that cooperative societies are able to lend at a lower rate. When the NDA was in office, agricultural loans were given at 10 per cent. In their last year of office, they reduced it to 9 per cent. When we came to office, in the first year, I reduced it to 9 per cent and implemented that 9 per cent. Next year, we reduced it to 7 per cent and now; all loans, not only of cooperative institutions, but also public sector banks and RRBs, are given at 7 per cent. So, the starting point is 7 per cent. Subsidy up to 7 per cent is borne by the Central Government. Beyond 7 per cent, it is the State Government that is providing additional subsidy—Tamil Nadu provides 2 per cent, Karnataka provides a subsidy, Andhra Pradesh provides a subsidy, Orissa provides a subsidy—which is the reason why they are able to lend at 5 per cent. But the two important things, which Mr. Venkaiah Naidu did not mention, were, one that the Central Government provides a subsidy of 2 per cent, and two, that NABARD refinances at 2.5 per cent. These two factors in addition to the State Government's contribution of subsidy are the reason why it is able to provide loans at 4 per cent. So, we are playing our part and the State Governments are playing their part. That is how the farmer is getting loans at 4 per cent. I don't take away credit from the State Governments but I ask you humbly to give credit to the Central Government and NABARD also.

Sir, for Coastal Security Police and Modernisation of Police Force, if you look at the allocation in the Home and Transport Departments, you would find that the allocations increase from Rs. 1945 crores to Rs. 2442 crores. For Modernisaiton of Police Force plus Twelfth Finance Commission, there are Rs. 120 crores. For Bangalore traffic improvement, there are Rs. 35 crores. Government of India has also sanctioned funds for Karnataka both for police modernisation and coastal security. There is enough money for coastal security and for security purposes.

I think, Sir, that is all. I have answered most of the questions raised. I will only conclude by thanking Shri Poojary, who is one of my very friendliest critics.

**श्री केञ्बीञशणप्पा:** मैने भी आपसे एक सवाल पूछा था ...(**व्यवधान**)...

SHRI P. CHIDAMBARAM: You had asked something about loan waiver.

**श्री केञ्बीञशणप्पा:** नहीं-नहीं, मैंने हैदराबाद-कर्णाटक और नंजुंदप्पा कमेटी के बारे में पूछा था।

SHRI P. CHIDAMBARAM: I have already answered the point raised about the Nanjundappa Committee with regard to backward regions. Rs. 2489 crores have been provided. This represents an increase of 58 per cent over Rs. 1571 crores provided last year. Enough money has been provided under the Special Development Plan based on

Prof. Nanjundappa Committee. Thus, enough money has been provided. Then, another point was raised; as far as the Swarna Vidhan Soudha is concerned, while Rs. 70 crores were indeed provided in 2007-08, not a pie could be spent because plans were not finalised. We are, therefore, providing Rs. 50 crores. The Vidhan Soudha will be built in Belgaum. There is some dispute about land. That dispute will be resolved. There is enough money. Please remember, I am still leaving Rs. 2972 crores revenue surplus for a Government to come and spend as it wants to spend! There is enough money to spend, no need to worry at all. Then, Sir, there was some question about Sanvyaya Suraksha. Again, there is a mistake. First, the people are to be identified. This identification process was not completed during the previous Government. We have now completed the process of identification. 1.64 lakh persons have been identified. Under this scheme, Rs. 400 per month will be provided as old-age pension to the identified beneficiaries. I have instructed officers of the Karnataka Government to begin the disbursal of this pension to the identified beneficiaries. I will also speak to the Governor to see to it that the disbursal takes place.

Sir, to conclude, I am grateful that Shri Janardhana Poojary has been kind to me. It is not a question of change of the heart. There are times when the head has to rule and there are times when the heart has to rule. I have repeatedly made it clear that the kind of financial stability and financial comfort that we have today was not available in the last nine years. It was certainly not available to any NDA Finance Minister because of their poor record in fiscal mangement. I am not saying that they have a poor record elesewhere. In terms of fiscal management that record is poor. I have read the figures this morning. We inherited a very difficult fiscal situation. Fiscal deficit was high; revenue deficit was high. We have brought down fiscal deficit to 3.1 per cent this year and the revenue deficit to 1.4 per cent. For next year, we have brought it down to 2.5 and 1 per cent. We have created fiscal space. Therefore, today, we can take certain risks, which I could not have taken last year and which I couldn't have taken the year before, and while outlays were increased year after year; to undertake something so ambitious as a loan waiver scheme was possible only this year. That is why you will find outlays for health have increased tremendously; outlays for education have increased tremendously; outlays for rural development have increased tremendously. We have taken a great responsibility in extending NREGS throughout the country. All this is possible because of sound fiscal management over the last three years and if our fiscal management continues to be equally sound in the future over the next ten-twenty years, you will find that every Finance Minister allows his heart to rule and the head to take the second place. But there are times when the head has to rule and heart is to take second place. But the head and the heart, I assure Janardhanaji, are in the right place as far as this Finance Minister is concerned. Thank you.

SHRI M. VENKAIAH NAIDU: Sir, most of the issues have been covered. But I want to say one thing. There is not much quarrel about allocation and he said that there is space and scope. The only issue that we raised persistently is about expenditure and about what is happening in the administration, the need for either early popular rule or as just the hon. Finance Minister said to take up with the State administration to see that these allocations are spent. Otherwise, time will be lost.

SHRI P. CHIDAMBARAM: We all know that there is political instability, political uncertainty and there is the President's Rule. There is some slowing down of expenditure. That is not unusual for Karnataka. I have witnessed it in Tamil Nadu twice in the last fifteen years and it is witnessed everywhere. The point is, I do not fix the date for elections. It is the Election Commission that does that. Why are we afraid of Vote-on-account for six months?

If elections are held in March, and the new Government is sworn in, let us assume, on 15th April, this Vote-on-account will come to an end immediately when the new Government will take over. This Vote-on-account does not, in any way, come in the way of elections or forming a Government or a new Chief Minister taking over, or a new Finance Minister taking over. But as long as elections are not held, that is a complaint that must be lodged at the door of the Election Commission which is about a stone's throw away from this building, I have a constitutional responsibility to ensure that enough money is provided and the projects are started and completed. I intend to visit Bengaluru; I intend to hold a meeting with the Governor and his Advisers and I intend to ask them to start expenditure immediately after this Vote-on-account is taken. First of April onwards, you will find, until the new Govenment come into office, expenditure will pick up and I will guide them to see that money is spent on all the projects.

MR. DEPUTY CHAIRMAN: Please move the Karnataka Appropriation (Vote on Account) Bill, 2008 and the Karnataka Apropriation Bill, 2008.

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## GOVERNMENT BILLS

### The Karnataka appropriation (Vote on account) Bill, 2008
### and
### The Karnataka appropriation Bill, 2008

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Sir, I Move:

That the Bill to provide for the withdrawal of certain sums from and out the Consolidated *Fund of the State of Karnataka for the services of a part of the financial year 2008-09*, as passed by Lok Sabha, be taken into consideration.

Sir, I also move:

That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the State of Karnataka for the services of the financial year 2007-08, as passed by Lok Sabha, be taken into consideration.

MR. DEPUTY CHAIRMAN: I shall first put the motion regarding consideration of the Karnataka Appropriation (Vote on Acount) Bill, 2008 to vote. The question is:

That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the State of Karnataka for the services of a part of the financial year 2008-09, as passed by Lok Sabha, be taken into consideration.

*The motion was adopted.*

MR. DEPUTY CHAIRMAN: We shall now take up clause-by-clause consideration of the Bill.

*Clauses 2, 3 and the Schedule were added to the Bill.*

*Clause 1, the Enacting Formula and the Title were added to the Bill.*

SHRI P. CHIDAMBARAM: Sir, I move:

That the Bill be returned.

*The question was put and the motion was adopted.*